

QUESTION:

Fred asks, "How is it that the bill which passed the Senate last night (Wednesday October 1, 2008) has tax provisions in it? Isn't this contrary to the constitutional requirement that all revenue bills originate in the House?"

RESPONSE:

Technically, the bill that passed the Senate last night did originate in the House. The bill was originally HR 1424, the "Paul Wellstone Mental Health and Addition Equity Act of 2007." The Senate took this bill, then struck everything after the number, then added as an amendment their version of the "troubled assets" bill. Here is what the new short title is: "A bill to provide authority for the Federal Government to purchase and insure certain types of troubled assets for the purposes of providing stability to and preventing disruption in the economy and financial system and protecting taxpayers, to amend the Internal Revenue Code of 1986 to provide incentives for energy production and conservation, to extend certain expiring provisions, to provide individual income tax relief, and for other purposes."

The original House act, HR 1424, was a tax act, as its official title in the House was: "To amend section 712 of the Employee Retirement Income Security Act of 1974, section 2705 of the Public Health Service Act, and section 9812 of the Internal Revenue Code of 1986 to require equity in the provision of mental health and substance-related disorder benefits under group health plans."

So technically it is a House act, fulfilling the constitutional requirements that all revenue acts must originate in the House. Remember, section 7, Article I, does say "but the Senate may propose or concur with amendments as on other Bills." Senate rules do not have a germaneness requirement for amendments; thus, the Senate simply used HR 1424 as a vehicle to pass the bill it wanted to.